

CITY OF READING
BERKS COUNTY, PENNSYLVANIA

RESOLUTION 45-2016

A RESOLUTION OF THE COUNCIL OF THE CITY OF READING, BERKS COUNTY, PENNSYLVANIA AUTHORIZING THE UNWIND OF AN INTEREST RATE MANAGEMENT AGREEMENT PREVIOUSLY EXECUTED WITH RESPECT TO ITS GENERAL OBLIGATION BONDS, SERIES OF 2002 (CAPITAL APPRECIATION BONDS); AUTHORIZING THE PROPER OFFICERS OF THE CITY TO EXECUTE AND DELIVER ANY NECESSARY DOCUMENTS AND AUTHORIZING THE TAKING OF OTHER NECESSARY ACTION IN CONNECTION WITH THE FOREGOING.

WHEREAS, the City of Reading, Berks County, Pennsylvania (the "City"), previously entered into an interest rate swap agreement with Wachovia Bank, National Association ("Wachovia") pursuant to a Master Agreement and Schedule to Master Agreement, each dated April 15, 2003 (collectively, the "Master Agreement"), as supplemented by an Amended and Restated Swap Transaction Confirmation thereto dated March 18, 2005 (the "Transaction Confirmation"), in order to manage interest rate costs of the City with respect to the City's General Obligation Bonds, Series of 2002 (Capital Appreciation Bonds); and

WHEREAS, the City has heretofore appointed Financial Solutions LLC as its financial advisor (the "Financial Advisor"); and

WHEREAS, the City desires to terminate the Transaction Confirmation; and

WHEREAS, under current market conditions, the City would be required to pay a fee to Wachovia in connection with the termination of the Transaction Confirmation; and

WHEREAS, the City desires to authorize (i) the termination of the Transaction Confirmation; (ii) the payment of the termination fee to Wachovia and (iii) the execution of any documents as shall be necessary or appropriate in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY AS FOLLOWS:

1. Termination of the Transaction Confirmation. The City hereby authorizes the termination of the Transaction Confirmation and the payment by the City of any required fee to Wachovia at the time of such termination. The Council of the City hereby authorizes the Finance Director of the City to (i) determine the date of such termination of the Transaction Confirmation and (ii) approve the amount of any required fee due to Wachovia upon the verification of the Financial Advisor.

2. Execution and Delivery of Documents. The Mayor of the City, as approved by counsel to the City, is hereby authorized to execute and deliver, in the name of the City and on its behalf, any and all documents that may be necessary to effect the termination of the Transaction Confirmation.

3. Further Action. The Mayor of the City is hereby authorized and directed to execute such further documents and do such further things as may be necessary or proper to carry out the intent and purpose of this Resolution or any document herein authorized.

4. Repeal of Inconsistent Resolutions. All prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistency.

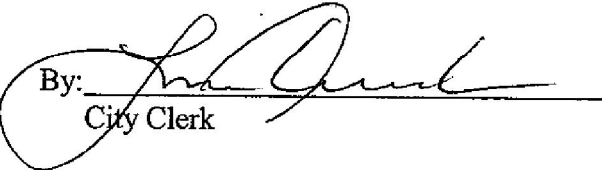
5. Effective Date. This Resolution shall take effect immediately.

Adopted: April 26, 2010

CERTIFICATE OF CITY CLERK

The undersigned, City Clerk of the City of Reading, Berks County, Pennsylvania (the "City"), hereby certifies that the foregoing is a true and correct copy of the Resolution which was adopted by a majority vote of the Council, at a meeting thereof held after due public notice as required by law, on April 26, 2010.

(SEAL)

By: 
City Clerk